BTEC Bulletin

News from the Business Transformation Executive Committee

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USAID Business Transformation Plan:

- **Human Capital**
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"Phoenix" Overseas Deployment Plans Unveiled

After initial delays due to funding and a joint State/USAID financial systems collaboration study, plans have been announced to implement Administrator Natsios' number one management reform initiative -- the global deployment of the Agency's core accounting system overseas.

The overseas roll-out of Phoenix, the Agency's name for the core accounting system, has received capital investment funds from the Office of Management and Budget (OMB) clearing the way for implementation plans to proceed. The deployment plans are in accordance with the recommendations from the joint State/USAID Financial Management System study. Collaboration on this project is beneficial since both State and USAID use the same financial management system software.

The March 2003 collaborative report resulted in a plan for unprecedented cooperation between USAID and State in the roll-out of the joint financial management system to overseas offices for both organizations. The report

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New Policy for Selecting IT Investments

At the June meeting, the BTEC endorsed a new ADS 577 chapter developed by the Capital Planning and Investment Control (CPIC) Subcommittee that is chaired by Mark Kneidinger, D/AA and Deputy CIO for Policy. The new chapter, IT Capital Planning and Investment Control, outlines the policies and procedures for selecting and managing information technology investments. The chapter is organized into six sections: Overview; Primary Responsibilities; Policy Directives and Required Procedures; Mandatory References; Additional Help; and Definitions.

The CPIC Subcommittee also developed Decision Rules to include in section three of the CPIC ADS 577 Chapter. The Decision Rules were endorsed at the July BTEC meeting and they will be applied as a "pilot" subject to further refinements.

The Decision Rules are comprised of criteria that provide a standard and consistent method for reviewing OMB Exhibit 300 business cases that agencies develop as part of their annual budget submission. An OMB Exhibit 300 describes budget justification and reporting requirements for major acquisitions and major information technology (IT) systems or projects. The CPIC decision criteria consist of 7 topic areas: Value, Risk, Cost, IT Security, Alternatives, Enterprise Architecture Relationships; and Government Function.

The CPIC Subcommittee will use the decision criteria to evaluate proposed IT investments that are e-Gov projects or USAID/W operating expense funded investments of $1 million or more.

The CPIC Subcommittee advises the BTEC on investment selection, considering potential risk, cost benefit, and priority in relation to other USAID

recommendations create a blueprint for collaboration on overseas implementations through 2006.

The Agency's deployment plans involve replacing Mission Accounting and Control System (MACS) stations at 38 missions and using the Phoenix system via the World Wide Web. The current plan is to deploy Phoenix using a central database. Each mission will enter financial information at their local desktops. Central servers in Washington, DC will collect the information. In the early stages of deployment, Controller Offices will access Phoenix. Eventually, when a global procurement system is deployed, access will broaden and will enable real-time information on the financial status of USAID business for any manager or employee in the Agency.

The successful implementation of Phoenix worldwide is intended to address several conditions that will improve the Agency's financial management system. Deployment of a web-based and integrated financial management system will extend to the field a common agency-wide system for budget execution, accounting, and financial management. Deployment of Phoenix overseas will give the Agency a single integrated financial management system that is certified compliant with federal requirements. Phoenix will provide more timely, reliable and useful financial information for decision-making and will improve accountability.

Collaboration with State offers savings to U.S. taxpayers while improving USAID's financial management system. Savings are achieved by sharing telecommunications infrastructure, creating joint training plans and sharing a help-desk program around the world. Development of joint reports on the financial activities of both State and USAID, worldwide, will also be possible.

Project Teams have been established to work on concept of operations, functional issues, technical issues, report development, migration of MACS data, and change management/training. The planning, design and development phase of the project began on July 1st. Piloting will be conducted at three mission sites in early 2004. The 24 month, $25 million project culminates with full overseas deployment projected by the end of August 2005 that will include joint State/USAID hosting of Phoenix.

The Phoenix global deployment plans have already contributed to the Agency receiving "green" progress scores on the President's Management Agenda (PMA) for Improved Financial Management and Expanded E-Government. The successful deployment of Phoenix overseas directly addresses the Agency's goals for Business Systems Modernization as well as the Administrator's management reform objectives for simplicity and standardization; reduced overhead costs; transparency; accountability and compliance; and improved program performance.

investments and the Agency's Enterprise Architecture.

Activities of the CPIC Subcommittee are interrelated with those of the EA and BSM Subcommittees. The activities of the CPIC Subcommittee contribute to the objectives of the PMA goals for *Improved Financial Management and E-Government.*

E-Gov Added to BSM Subcommittee Charter

USAID's e-Government activities now have a coordinated venue for reporting to the BTEC as a result of new responsibilities added to the charter of a key BTEC subcommittee.

The BTEC endorsed a revised charter for the Business Systems Modernization (BSM) Subcommittee at the June meeting to include activities related to the President's Management Agenda goals for e-Government. Under the amended charter, the BSM Subcommittee will coordinate Agency e-Gov activities and report to the BTEC on progress to ensure alignment with the Agency's BSM plans and compliance with the President's Management Agenda (PMA).

The original BSM charter was focused on two activities: deployment of Phoenix to the field; and global deployment of an Acquisition and Assistance System (A&A). The addition of functions related to the PMA e-Gov initiatives are consistent with the charter's objective to guide the planning and implementation of reforms to improve the Agency's Business System Modernization effort.

USAID has been actively participating on several of the 25 e-Gov initiatives as either a partner or a participant. Most government agencies have travel booking requirements and training needs. USAID is no exception. M/HR has partnered with OPM on the E-Training initiative to facilitate a government-wide, web-based training portal. And drawing on the success of the Travel Manager System, M/AS is providing resources and staff expertise to the E-Travel initiative led by General Services Administration to help create a government-wide, web-based travel management service.

By collaborating on e-Gov initiatives, it is no longer necessary for federal agencies to buy their own data and build their own systems. Strategic coordination and Internet technologies are enabling organizations to share and leverage these investments across agencies.

The goal of electronic government is to make better use of IT investments, to eliminate billions of dollars of wasteful federal spending, reduce the government paperwork burden on citizens and businesses, and improve government responsiveness to citizens.

Human Capital Updates

- In June the BTEC was briefed on the status of employee union negotiations regarding new Annual Evaluation Forms (AEFs) that were previously approved by the Committee. The American Foreign Service Association (AFSA) and management have agreed to the proposals for revised Foreign Service (FS) AEFs. Agreement with the American Federation of Government Employees (AFGE) has not yet been reached on the proposed revisions to the Civil Service (CS) AEFS. Differences are being negotiated. An update on the AFGE negotiations will be provided at a future BTEC meeting.

- At the July meeting, the BTEC endorsed the following 2004 human capital priorities: fill 40 vacant Foreign Service Officer positions overseas; implement the Overseas Staffing Template; and determine the "right" work and the "right number of positions" for the work. A fourth priority, expand the use of "supported ceilings" to create a training or reassignment float, was also endorsed pending FY 04 budget approval. The BTEC vote was preceded by a presentation, led by Chief Human Capital Officer Rose Marie Depp, of seven short-term priorities identified by the Human Capital Subcommittee. These activities address Strategic Management of Human Capital goals for the Agency and the President's Management Agenda.

BTEC Briefed on Recruitment and Benefits Outsourcing for USPSCs

At the June meeting, representatives from M/HR and M/FM presented findings from an Agency study to outsource centralized administrative functions for U.S. Personal Services Contractors (USPSCs). The study examined outsourcing the functions for recruitment, as well as payroll and benefits processing. Currently, centralized information is not available on the Agency's USPSCs. A key finding indicated that centralized management of USPSC information via a web-based product will improve transparency, accountability and efficiency. The BTEC endorsed reassignment of this project to the BSM Subcommittee for evaluation since it may involve the acquisition of a business system and require the development of a business case. This project addresses the BSM goals of the Agency's transformation plan as well as the PMA goals for Improved Financial Management and Expanded E-Government.

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Minutes of the BTEC meetings can be found on the BTEC website at http://inside.usaid.gov/BTEC/.

> Your comments and suggestions are welcomed. We are especially interested in your feedback on issues discussed at the BTEC meetings. Please contact your bureau's BTEC member or nbarnett@usaid.gov. Contact us online at http://inside.usaid.gov/BTEC/

BTEC Endorses "Proud To Be" Goals

In a special May session, the BTEC endorsed documents containing the Agency's 15 month goals for each of the five PMA initiatives in response to a request from the Administration.

USAID's "Proud to Be" Goals were prepared in response to a request from Clay Johnson, Deputy Director for Management, OMB, who asked each federal agency to indicate where they would be proud to be on July 1, 2004 with regard to each PMA initiative and each component of each initiative.

Federal agencies were requested to indicate the key milestones they intend to hit to get to their goals. A format that parallels the initiative owners' "proud to be" document was provided as a guide. Most of these goals are from assessments of where agencies should be "proud to be" that were written by the owners, i.e., the Administration officials responsible for the five governmentwide reform items: e-government, human capital, financial management, competitive sourcing and performance and budget integration. This information includes greater clarity of targets, more precise definition of yellow status, and indicates what the initiative owners will do to help agencies get to green. Agencies submitted their final documents to OMB on May 9, 2003.

USAID's Proud to Be Goals appear to be on target based on the latest scorecard on the Agency's progress in implementing the President's Management Agenda. The Agency received green lights for progress in Budget and Performance Integration, Financial Management and E-Government, and moved from red to yellow lights in Competitive Sourcing and Human Capital.

> ## *Did you know…*
> …..that a newly redesigned BTEC website is now available as a one-stop resource for Agency business transformation news. New features include: improved design and search capabilities to better enable you to find current business transformation information; interactive graphics explaining transformation results and outcomes; expanded topic focus including business transformation plan components, corresponding subcommittees, and related links; and drop down menus that take you to the specified page. Also "What's New" provides important, new information on transformation activities**….**

> ☑️**The next BTEC meeting is scheduled for August 13th.**